Scott II-21—38,000—4-11-46.

DEV (1947) Department

MS. SERIES.

G.O. NO. 4121

Dated 21-8-47

[Despatch Abstract.]

Industries Sericulture - Govt Silk Factories Kollegal - Scheme for disposal of 25000 lbs of silk - Appd.

DEPARTMENT OF INDUSTRIES AND COMMERCE

18th July, 1947.

SECRETARIAT
24 JUL 1947
DEPT. OF I. C. & L. DEPARTMENT

69276 Ad/41
24.7.47

From

M.T. Jaya Raju Esq., Bar-at-Law.,
Director of Industries and Commerce,
Chepauk, M A D R A S.

To

The Secretary to Government,
Development Department,
Fort St. George, M A D R A S.

Sir,

Sub: Industries - Sericulture - Government Silk Filatures, Kollegal - Sale of silk -
Ref: My letter No.6995-D/45 dated 10-6-1947.

In the letter cited, I had reported that the prices of Government Silk Filature silk were reduced to s.29-8-0 and to s.27-8-0 for the 24/28 re-reeled and ordinary denier respectively and that a discount of 4 per cent on individual sales of over 1000 lbs. was being allowed. Even after the above reduction, the off take has been so negligible. The General Manager has therefore suggested the following measures for the disposal of the accumulated stocks of silk.

1. Silk will be sold to dealers after collecting the value thereof in full, the amount deposited being kept in suspense account.
2. If any reduction in price is subsequently effected, the benefit of such reduction will be passed on to the dealer for the actual quantity of silk held by him.
3. If due to unfavourable market conditions, the dealer is unable to sell the entire quantity, he may within a period of six months return the unsold portion and take back the value thereof.
4. As and when sales are effected by the dealer and adjustments will be made in the suspense account to regularise the transactions.
5. A discount of 4% will be allowed on individual sales of 1,000 lbs. and above.
6. This scheme will be tried as an experimental measure, the total quantity to be sold under the scheme being limited to 25000 lbs. The General Manager covers of disposal of the Director [illegible] Government for the disposal of any further quantity of [illegible].
7. Energetic personnel on the staff of the filatures will be sent to important centres as on tour to do propaganda and book orders etc.

The above arrangements should, I think, prove fruitful and I have therefore asked the General Manager, to go ahead in the matter in anticipation of Government approval.

P.T.O.

I request my action in this regard may kindly be approved.

I am glad to report that as a result of the above measures, the General Manager has been able to dispose of 5000 lbs. and I have just accorded permission to dispose of a further 5000 lbs. on the same terms.

23.7.47

for Director of Industries and Commerce

TOLL

DEV DEPT

Please see the letter of the D.I.C. Jmp. above which he addresses a draft memo to the D.I.C. is submitted below for appl.

(G.R.Nair)

Development Department(Mr. I)

INDUSTRIES - Sericulture - Govt. Silk Filatures Kollegal Scheme for disposal of 25,000 lbs. of silk - ~~Approved~~

Read ~~again~~:- From the D.I.&.C. No.6995 P/45 dt.18.7.47

G.O. ~~No.~~ No. 421 Ms. Dev DATED 21 - ~~AUG~~. 1947

The D.I.&C. has submitted a Scheme, details of which are given below, for the disposal of the accumulated stocks of silk yarn in the Govt. Silk Filatures, Kollegal:-

(i) Silk shall be sold to dealers after collecting the value thereof in full, the amount deposited being kept in suspense account.

(ii) If any reduction in price is subsequently effected, the benefit of such reduction shall be passed on to the dealers for the actual quantity of silk held by him.

(iii) If due to unfavourable market conditions the dealer is unable to sell the entire quantity, he may within a period of six months return the unsold portion and take back the value thereof.

(iv) As and when sales are effected by the dealer adjustment ~~shall~~ will be made in the suspense account to regularise the transactions.

(v) A discount of 4% shall be allowed on individual sales of 1,000 lbs. and above.

~~8. The D.I.&.C. is requested to arrange to dispose~~

(vi) Energetic personnel from among the staff of the G.S.F. Kollegal will be sent to important centres to do propaganda and book orders in this connection.

(vii) ~~8.~~ The General Manager G.S.F. Kollegal ~~is~~ will be permitted to dispose of 5,000 lbs. of silk under this scheme ~~mentioned in para 1 above~~, ~~with the~~ ~~he will obtain the~~ approval of the D.I.&.C. will be necessary for the disposal of ~~further~~ quantities beyond 5,000 lbs.

(viii) The total quantity of silk to be sold under this scheme will be limited to 25,000 lbs.

The Government approve the scheme of the D.I.&C., as an experimental measure subject to the condition that the profits in respect of the ~~sales~~ sale of silk for the whole year shall not go down below 6¼

The action of the D.I.&.C. in arranging to dispose of 10,000 lbs. of silk under the scheme, in anticipation of the sanction of the Govt. is approved.

2. The Govt. observe that there is scope for reducing the staff as the filatures are not working to their full capacity and that the reduction so far effected is only a 'token' one. The D.I.&.C is therefore requested to ~~submit a report on the working of the filatures, and to state whether the profit of 6¼% contemplated in G.O.No.1387 Ms. Dev. Dt.6.5.46 will be maintained.~~ submit proposals for reducing the staff still further and bring down the working cost to the absolute minimum. He is also requested to send a special report on the working of the Govt silk filatures, together with special reference as to whether the estimated profit of 6¼% will be realised or not.

~~To the D.I.&.C.~~
~~To the A.G. thro' Fin.~~
~~Copy to S.F.~~
~~C.B. to U.O.~~

To The D.I.&C.
.. A.G. through Finance
Copy to S.F.

C.B. Entry No: para 2 agenda. 1-10-47.

No.T.15.C.O.II-494.

Office of the Accountant General, Madras dated 9th January 48.

5218 DF/48

12-1-48

To

The Director of Industries and Commerce, Madras.

Subject:- Government silk filatures Kollegal Scheme for Disposal of 25000 lbs. of Silk- Accounting Procedure-Instructions-Issued.

Sir,

With reference to G.O.Ms.No.4121 Dev. dated 21-8-47 approving the scheme for the disposal of 25000 lbs of silk proposed by you, I have the honour to issue the following instructions for the exhibition of - the transactions connected with the scheme in the Departmental Accounts of Government silk filatures, Kollegal.

A new detailed head "Sales suspense" may be opened under "Deduct Receipts and Recoveries on capital account" as item 9 (iv) with the sub divisions as indicated below in the classified abstract of the Government Silk Filatures Kollegal

9 Deduct Receipts etc.

(iv) Sales suspense
- (a) Value of Silk collected in (Cl.i of Para. 1 of the G.O.)
- (b) Deduct Sale to Public effected (Cl.iv of Para.1 ")
- (c) -do- Refunds (v) (Cl.ii & iii and v of para.1 of G.O.)

The value of silk collected in advance as per clause (i) of paragraph 1 of the G.O. should be shown against sub division (a) i.e. Value of silk collected in advance. The actual sale price of silk excluding refunds or other deduction should be shown against sub division (b) "Deduct sale to Public effected" as a deduction (minus figure) the amount being credited 'per contra' under "9(ii) etc. Sale to Public". The refunds and reductions with reference to clauses (ii) (iii) and (v) of paragraph 1 of the G.O. should be shown against sub division (c) i.e. 'deduct

refunds', also as a deduction (minus figure). It will thus be seen that the net figure under "sales suspense" is 'nil' after all the transactions and the actual amount of sale of silk is shown against "9 etc.ii Sale to Public". If any discount is allowed it will go to reduce the sale price.

2. It is stated in the G.O. that action has already been taken by the Director of Industries and Commerce for the sale of 10,000 lbs of silk under this scheme and by now further quantities of silk would have been sold out. The quantity of silk so far sold out under the scheme and information as to how the transactions have been accounted for in the classified abstract of the Government Silk Filatures Kollegal may please be furnished to this office at an early date.

3. A copy of this letter is being sent to the Sericultural Expert (Filature section) Government silk filatures, Kollegal, also.

I have the honour to be,
Sir,
Your obedient servant,

(Sd.) C.V.Krishnaswami,

Assistant Accounts Officer.

No.T.15.C.O.II-49 dated 9th January 1948.
Copy to the Secretary to the Government of Madras, Development Department, Madras, for information.

C. V. Krishnaswami

Assistant Accounts Officer.

Submitted for perusal. May be lodged and added to G.O. No 4121 Ms Dev Dy 21-8-47)

CR 17.1.48

29.4.48. Please ONO 125 SSGD D(4) DEVDEPT 7
W 17/12

Memo No 25594 Dt (W)-1(1) 17-12-47.

Subject: Industries - Sericulture - Govt Sch/ Filatures - Reduction of staff.

Ref: G O No 4121 MS Dev Dt 21-8-47.

3-4 CF 9 (1 new) (CF (9))

The attention of the DIRE is invited to para 2 of the G.O. read above and he is requested to state when the reports called for therein may be expected

(4/12/47)

CPT
14.12.47

To The DIRC:

RD. 10-1-48.

12/12/47

22/12

ER 11-1-48; NR 27-1-48. ER 1-2-48. NR on 16-2-48

DEPARTMENT OF INDUSTRIES AND COMMERCE
Letter No.6995-D/45 dated 26--5-1948

Received 15/6/48

From

The Director of Industries and Commerce,
Chepauk, Triplicane P.O., Madras.

67:16

To

The Secretary to Government, Development Department, Fort St. George, Madras.

Sir,

Subject: Industries - Sericulture - Government Silk Filatures, Kollegal - Sale of Silk during the year 1947-48.

Reference: Para 2 of G.O. No.4121, Development dated 21-8-1947
Government Memo No.12594-DI/47-1 Development dated 17-12-1947

In para 2 of the G.O first cited Government called for proposals for reducing the staff employed in the filature to bring down the working cost to the absolute minimum and also for a special report regarding the working of the filature with special reference to the question whether a profit of 6¼% could be earned. A report on the reduction of the staff in the filature was submitted to Government in this office letter No.2914-D/47 dated 5-1-1948. I appe a herewith for the information of Government a statement showing the staff originally sanctioned for the amalgamated Government Silk Filatures, retrenchments effected from time to time and the existing staff which is the minimum that is required to run the filature economically and efficiently.

2. As regards the profit element, I have already explained the position in my letters No.6995-D/45 dated 23-1-1947, 1st April, 1947, 17th May, 1947 and 20th November, 1947, and in letters No.2848.D/46 dated 8th March, 1947, and finally in letter 2848.D/46 dated 6th January, 1948. I have explained therein the perilous condition in which the filature industry has been placed consequent on the importation of large quantities of foreign silk into India and their sale at very lower prices. I had also pointed out in my letter No.6995-D/45 dated 23-5-1947 that the Government Silk Filatures will not be working at a profit during the year 1947-48 unless the Government of India took quick action to regulate imports. The position in the other silk producing provinces like Bengal is also bad and I had a telegram from the Director of Industries, Bengal, sometime back about the perilous condition of the industry there. The Government of India have only recently communicated their decision to stop issuing any more ~~silk~~ till such time the present stocks are liquidated. Though the silk market has shown some improvement since then, the position as far as the year 1947-48 is concerned was bad since the filature silk had to be sold during that year at prices below their cost of production The ~~exact~~ exact financial position of the working of the filature during 1947-48 could be known only when the proforma accounts are made ready. It may however be pointed out that the filatures have in the past made considerable profits to the tune of ~~nearly~~ nearly seven lakhs of rupees as will be seen from the statement enclosed. This was possible in view of the impetus given to the industry during the war period and the protection it had enjoyed.

for the import of raw silk,

-continued-

Depression however has now set in and we have to compete in the open market, but even so given a certain measure of protection, we can hope to make reasonable profits. In a commercial concern of this nature, there are bound to be periods of depression resulting in some loss and it is rarely possible to run such concern profitably year after year - particularly in the silk industry - where periods of vicissitude are natural and cannot be avoided. It will not therefore be practicable to maintain the profit at a margin of 6% annually: and it is highly desirable that such a condition in working of the filature is not insisted upon. However every effort should be made to maintain the profit at as high a figure as possible.

for JOINT DIRECTOR OF INDUSTRIES AND COMMERCE.

MAG/

12-6.

Statements showing the profits earned by the Government Silk Filature and Kollegal Silk Filature, Kollegal from 1943-1947.

Name of the Concern.	Year.	Profit. Rs.	A.	P.
(1)	(2)	(3)		
Kollegal Silk Filature-Kollegal.	1943-44	Loss.		
,,	1944-45	2,05,657	0	9
,,	1945-46	1,45,651	13	9
,,	1946-47 (1-4-46 to 14-8-1946)	1,38,767	2	6
Government Silk Filature, Kollegal.	1945-46 (1-9-45- 31-3-1946)	1,09,587	10	2
,,	1946-47	62,967	2	6
		6,32, 630	13	3

Office Note:- The above figures were taken from the audited (p. t. o)

(4)

Proforma Accounts of the C.L.A. Audit to S.T.S Madras.

Mng. 4/6.

Statement showing the Staff sanctioned for the Government Silk Filature Kollegal and retrenchments made subsequent

Staff Sanctioned for the amalgamated Government Silk Filature. G.O. No. 2310 Dev., Dated 14-6-1946 & 3326 Dev., dated 31-8-1946.			Staff retrenched till the abolition of the Post of General Manager in October, 1947 (G.O.No.4043 Dev. October, Augu
(1)			(2)
GAZETTED.			
1) General Manager	1	Rs.420 -700 p.m (+ Rs. 50 Special Pay)	Special Pay with Can (Manager -Admn)
2) Manager (Tech)	1	Rs. 200-410	Electrical Engineer
3) Manager (Admn)	1	Rs. 200-410	G.O.No.4708 Dev
4) Factory- Non-Gazetted.			
Electrical Engineer Panchayat Board Kollegal			
1) Filature Assistants.	3	Rs.85-120 P.m.	
2) Silk Ferting Officer	1	Rs. 150-200p;m	
3) Labour Welfare Officer	1	65- 170 ,,	
4) Asst. Welfare Officer	1	32-2½-40 ,,	
5) Sanitary Inspectors	1	55-110 ,,	Sanitary Inspector 1
6) Sub-Officer for Trailor Pump.	1	55-110 ,,	
7) Boiler Foremen	2	55-60 ,,	
8) Foremen	8	40-60 ,,	Foremen 3
9) Mechanic.	1 (1st Grade)	45-65 ,,	
10) Mechanic	2 (2nd Grade)	30-45 ,,	
11) Stokers.	8	19-30 ..	Stokers 3
12) Asst Foremen	36	20-30 ..	Assistant Foremen 6
13) Deniers Testers.	6	12-18 ..	Denier Testers 3
14) Store Keepers.	3	40-60 ..	Storekeeper 1
15) Carpenter.	2	30-45 ..	Carpenter 1
16) Motor Drivers.	4	40-50 ..	
17) Cleaners.	3	15/- ..	
18) Packer.	1	12-18 ..	
19) Compounders.	1	28-40 ..	
20 Silk Testers.	3	23/-	
21) Time Inspectors.	1	50-70 ..	
22) Watchmen.	1	30-50 ..	
23) Helper.	1	18-27 ..	
24) Head Sentry.	1	17-22 ..	
25) Sentries.	16	12-17 ..	
26) Time Keepers.	3	28-37	

2. Commercial Acct.	1	125-175	
3. Cashier Acct.	1	70-100	
4. Upper Division Clerk.	1	70-100	
5. Upper Division Clerks.	2	55-70	Upper Divison Clerk. 1
6. Asst. Accountt.	1	55-70	
7. Asst. Cashiers.	1	55-70	
8. Store clerk.	1	55-70	
8. Lower Division Clerk.	4	30-55	Lower Division Clerks. 1
10. L.D.C. with X S.H. Allowance.	1	30-55	
11. Attender.	1	19-30	
12. Peons.	10	12-17	

Staff subsequently retrenched.	Existing Staff.			
G.O.No.520 Dev. dated 4-2-48.				
General Manager	Manager (Tech)	1		230-30/2-410
	Filature Assistants.	3		90-5-130
Scale of pay of Silk Testing Officer reduced G.O. No.1899.dated 16-4-48.	Silk Testing Officer	(90-5-130)		
Labour Welfare Officer.	Assistant Welfare Officer.	1		35-1-45.
Sub office for Trailor pump.	Boiler foreman.	2		60-3-90
	Foremen.			45-3-75
Mechanic 1.	Mechanic.		1st grade.	55-3-85
	Mechanic	1	2nd grade.	35-2-55
	Stokers.	5		24-1-32-½A 35
	Asst. Foreman.			-do-
	Dynamo Tester			16-½A-25
	Store keeper.	2		45-3-75
	Carpenter.	1		35-2-55
	Motor driver.	4		40-1-50
	Cleaner.	3		15-½A-20
	Packer	1		16-½A-25
	Compounder	1		35-2-40
Silk Tester 1.	Silk tester-2			30-2-40.
	Line inspector.	1		60-3-75-2-85
	Wireman	1		35-2-55-1-60
	Helper.	1		22-½A-30
	Head sentry.	1		22-½A-30
	Sentries.	16		16-½A-25
Time keeper. (1) Office Manager.	Time keeper.2.	2		25-1-35
	Commercial Accountant.	1		140-5-190
	Cashier Accountant.1.	1		80-3-95-5-125
Upper division clerk(1)	Upper Division Clerk.	1		80-3-95-5-125
Assistant Cashier.(1)	Assistant Accountant.	1		80-3-95-5-110
	Store clerk.	1		80-3-95-5-110.
	Lower Division Clerk.	3		45-3-60-2-90
	Lower Division Clerk 1 in with Shorthand allowance.			-do-
Peons.6,	Attender.1,			24-1-32-½A-35
	Peon.4			16-½A/ 5

21 Sept.

C.No. 69276 Dy/

Sub: Ind. Stries. Sericulture — work of Silk Farmers Relief Disposal of silk & accumulated stock.

Silk.

Ref: From the D.I & C No 6995-D/4.5 dated 18.7.47

To H.S.

Please see the letter of the Dte at pp 1-2 cf. The proposal is that the action of the Dte in having adopted a procedure, as detailed at X on p 1 cf, for disposal of the accumulated stocks of silk in the Govt Silk Farms, should be accepted by the Govt.

2. For a long time past, since the cessation of hostilities and the consequent stoppage of demand from the Govt of India for supply of silk, the stock of silk in the Govt Silk Farms, Kollegal has been accumulating, without prompt clearance by sale. In the latest report on the Govt Silk Farms, Kollegal, it was stated that the unsold stock amounts to over 30,000 lbs. Another reason attributed for slow sale of local silk was the reported import of foreign silk and the resultant fall in prices. On a comparison of the statement of prices at 'R' on p 1 cf and the table of prices at p 7 ng. of (L), the steep fall in prices over a period of one year will be apparent. The procedure outlined by the General Manager of the Govt Silk Farms, Kollegal for disposing of the silk would appear to be a frantic effort to clear off stock at any cost. The procedure proposed is, in effect, meant in favour of the dealers, as they undertake sale only on 'Government basis'. In such a scheme, the need for inducement by the grant of a discount of 4½% and for incurring expenditure on the terms of sale is not understood. The terms of sale, without the discount, are themselves very attractive for the dealers, as they take no risk in sales. It is therefore for consideration whether, as proposed by the Dte, the terms at 'X' on p 1 cf. will be accepted as a whole or whether the Dte will be told that in the terms, the discount of 4½% should be done away with and that a bigger responsibility of several members of the staff of the Farms

G.O. 1827 Dev (L) 6 5216.

X on p 1 cf.

The system proposed is not to run outright sale. The dealer has the option to return unsold stock within 6 months - Vide the 3rd X on p 1 cf. This will encourage Govt. to sell stock prices may rise.

&

1% for

→ as

+ d

Cf to

on the plea of propaganda and booking of orders should be replaced by a well-designed method of advertisement in the press, both local & upcountry.

Reference is in this connection invited to the notes at pp 1-5 ng of (L) and in particular to the remarks of Addl Secy, Finance Dept at 'B' & 'C' on p 5 ng (L). It does not look as though the expectations of the D.I.& C. for realising a margin of profit of 6 1/4 % on sales over a year with materialise in respect of the year 1947-48, though the figures for 1946-47 might first show a nominal profit. In this light, the need for all possible retrenchment in staff of the factory appears to be urgent and immediate. The staff for the amalgamated Concern was sanctioned on the basis of over 500 basins being put into Commission. For some time, the factory has been working only about 200 basins — the latest report showing only 124 basins in commission. The D.I.& C. has only reported so far a 'token' reduction — staff of a few low paid supervising & factory staff. Further reduction in the working Cost of the factory should be explored. It is therefore for consideration whether a special report on this subject should be called for from the D.I.& C. before the possible deterioration and the State Trading Scheme lands the Govt in loss.

Finance Dept may also see the case for remarks.

[As regards 'A' on p 5 ng (L), the Govt of India have since stated that the present position of imports of silk is not prejudicial to local production and that they see no need now for tariff protection or for regulation of prices]

Stocks of silk have accumulated at the Filatures which the D.I. & C. nas not been able to dispose of for quite some time. The concessions proposed to be given to dealers seems to be necessary, if the stocks are to be sold quickly. The D.I. & C. has already given effect to his proposals in anticipation of Government sanction and the result has been that he was able to dispose of 10,000 pounds of silk. He has proposed to continue the concession till 25,000 pounds of silk are sold. As an experimental measure we need not condemn the proposals merely on the ground that they are favourable to the dealers. In these matters it is not

desirable to ~~fetter~~ the discretion of the D.I. & C. who is in touch with the fluctuating market. The only criterion we can lay down is that the profits ~~of~~ for the whole year must not go down below 6¼%.

It appears that there is scope for reducing the staff as the Filatures are not working to their full capacity. The D.I. & C. has so far proposed only a token reduction. He may be asked to submit proposals for reducing the staff still further and bringing down the working cost to the absolute minimum. His proposals in this file may be approved as an experimental measure and he may be asked to send a special report on the working of the Filatures with special reference to whether the estimated profit will fall below 6¼%. Finance may see.

Dev no no
69276 डी(उ)-1
दि 31-7-47.

AM
31.7.47

S 1.8.47
Fin.

Fin U.O. 46555 A2-1
7-AUG 1947
S 8.8.47
FINANCE DEPARTMENT

Fin (Accts B)

Please see the D.I. & C's letter in the and the notes from p.1. above. This dept may agree with the views of Dev at p 2-3 above.

R
5.8.47

5.8.47

Accts
5.8.47

Dev.

डी(उ)डी(प)1

UNDER SECRETARY
8 - AUG 1947
DEVELOPMENT DEPARTMENT

74552 TOCS

Please see ~~the draft~~ notes from p1 above. A draft order approving ~~rectifying~~ the scheme submitted by the date is submitted below for approval. ~~Forwarding a letter~~ It may ~~give effect~~ issue after vetting by HH(D)

P1 CF

(A 8810) AM 10.8.47

X The notes from p1 ante may be perused. The draft order below explains the proposal. It may be approved.

AM
11-8-47

12

S

Draft may issue

AM
13/8

HM(I)

When I was recently at Kollegal along with D.I.G. there was an offer from a Bangalore party which was considered favourably as the party offered about 2 Rupees more per pound than the rate at which previous sales were effected. There seems to be the probability of a rise in price of silk. The D.I.G. may use his discretion in all these matters and see that the losses are minimised. The Govt. silk-farming product is appreciated as being better than other local products. Advantage must be taken to get the product popularized.

14/8/47

To HIS

For orders whether the draft order below may now issue. or whether any alterations will be deemed necessary in the light of the ~~general~~ minutes of HM(I), which appear to be only general observations.

The draft orders below may issue.

AM
19-8-47

[Issued as G.O. No 4121 Home Dept dt. 21-8-47.]

Dev. Deptt.

Industries - Sericulture - G.S.F. Kollegal - Sale of silk - Marging of profit.

From the D.I.& C.No.6995-D/45 dated 26-5-48.

Please see the D.I.& C's. report at pp. 7-9 c.f.

In para 2 of G.O.4121 Dev. dated 21-8-47 the D.I.& C. was asked to submit proposals for retrenchment of staff at the G.S.F. Kollegal and to submit a special report on the financial position of the filatures with reference as to whether the profit of 6¼% prescribed in G.O.No.1827 Dev. dated 6-5-46 would be realised.

Retrenchment in the staff was already effected in G.O.520 Dev. dated 4-2-48.

As regards the financial position attention is invited to para 2 of the D.I.& C's. letter at pp. 7-9 c.f. The D.I.& C. states that the exact financial position during 1947-48 can be known only when the proforma accoun are made ready. He however apprehends that it will not b practicable to maintain the profit at 6¼% annually, and contends that it is highly desirable that such a conditio in the working of the filature is not insisted upon. He has however not asked for the specific orders on this point. The papers may now be closed with a C.B. entry against 1-6-49 when the position may be reviewed again.

Finance Deptt may see.

Finance (Accts.B)

The D.I.& C's report on pages 7 & 9 C.F. and the Development Department's note above may be perused. Apparently the D.I. & C. does not hope to show the prescribed profit of 6¼% on the transactions of 1947-48 and his present communication is perhaps intended as a forewarner to the Government. No special remarks seem to be called for on the point of profits unless the D.I. & C specifically raises the issu after working out the pro-forma accounts for 1947-48. The position ir

3/6.

Separate file

1948-49 may be slightly better due to the allotment of Japanese Silk to this province which we hope to sell at some margin of profit.

78040 Dr/Cr
14.7.48

KSS 13.7.48 13.7.48

G.S. 13.7.48 Dev

Fin. h.o. No. 49142/AB-1

DEV DEPT 13-7-48. Dev

TO R.S.

Please see notes. 8

Fin Deptt on pp 1-2 above. The papers may be closed and added to G.O. 4121 Ms Dev 21-8-47 with a C.B. entry against 1-6-49

CAP 17.7.48

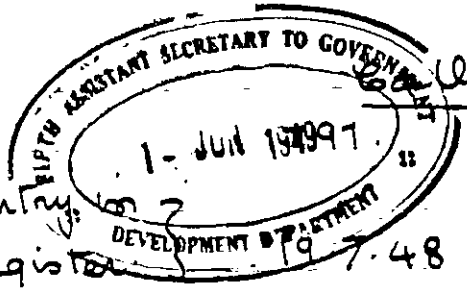
C.B. entry against 1-6-49 Cap. 7-48

(a) 14.7.48 15/7/48.

Dev. Dept (DI)

7

Log Book extract



57458 (I)

S. no.

Date of entry in the Register — Pg 7.48

Subject. — Industries - Sericulture - G.S.F. Kollegal
Sale of silk - margin of profit

old c no. — 12559 4 DI/47.

No and date of Go etc authorising the entry — Struck off with Go no 4121 Dev dt 21.8.47. /103-4 Off (A)

Date when further action is to be taken — 1-6-49.

Vn
31.5.49

Dtd

Page (A) TOKS In para 2 of G.O. 4121 Dtd 21-8-47, the Dte was asked to submit proposals for retrenchment of staff at the G.S.P. Kollegal and to submit a special report on the financial position of the factories with reference as to whether the profit of 6¼% prescribed in the sale of silk of the factories would be realised

Memo dtd [illegible] of (A) Retrenchment was already effected vide G.O.No 2210 Dtd 4.11.48

Pg 9-11 of (A) In pursuance of the said G.O. the Director submitted his report in May 1948 on the financial position of the stocks that the exact financial position during 1947-48 could be known only when the pro-forma accounts are made ready. He however apprehended that it would not be practicable to maintain the profit at 6¼% annually and contended that it was highly desirable that such a condition in the working of the factories was not insisted upon. As he had not asked

Memo dtd [illegible] = (E)

#10 Ans

A specific order on the point the papers were closed with a C.B. entry effected 1-6-49 when it was ordered that the position might be reviewed

The position has since been reviewed – Vide papers at (X) and order issued in G.O. 1560 dtd 24-3-49 waiving the stipulation that a margin of 6¼% profit should be maintained in the sale of silk by Co-operative Societies. No action is therefore called for on the C.B. extract at present. The papers may be lodged and added to (A). Sir may see.

P 130 F (X)

P 6 N F (A)

ASSISTANT SECRETARY TO GOVERNMENT
10 JUN 1949
38328 Ans
REVENUE DEPARTMENT

P 6609/49 Dte 8.6.49

Dte 8.6.49

Dev 57458 D7/49-1

Fin

Fin (Accts)

Dte 10-6-49.

May be perused and returned to Dev

Dev 11-6-49

May be forwarded to (A)

Dte 13-6-49

Dte 11-6-49

Fin (Accts) 38328 Ans 11-6-49

62037